Managed Application Services

Which customers are eligible to use Managed Application Services (MAS)?

The MAS contract specifies that "All DIR Customers are eligible to purchase development services as long as the production environment for the application being developed shall be hosted within the DCS program."

For maintenance services, all test, development, and production environments must be housed within the DCS program. However, if the customer's application is not being hosted within the DCS program at the time of the request, the transition of infrastructure to the DCS program must be included as part of the scope of work and price for the maintenance services.

Rate Card Resources may only be used for applications hosted within the DCS program.

Is the use of Managed Application Services mandated as part of my participation in the Data Center Services (DCS) program?

Managed Application Services are optional services for DCS customers.

How do I initiate work under Managed Application Services? What is the process related to defining scope, obtaining estimates, approving proposed solutions or rate card staff, authorizing work, approving deliverables, invoicing, and payment?

Customers can request MAS services through the MSI's online Service Catalog via a Request for Service (RFS). The Service Providers will respond with a solution proposal and cost estimate for your evaluation and approval. Work commences with your formal approval of the solution and cost. The MSI will invoice customers on the DCS invoice for any Managed Application Services.

What is DIR, Atos, and Capgemini's role in obtaining Managed Application Services?

DIR will perform the same vendor management role and responsibility as in the DCS program today.

Atos may interface with the MAS Service Providers as applications are developed or maintained on DCS infrastructure. Atos does have a role in providing solutions and cost estimates that include infrastructure charges for the application environment. However, Atos does not play a role in whether or how a customer obtains MAS services.

Capgemini provides tools, monitoring, and the same level of support for the MAS Service Providers as it does with other DCS Service Providers. In addition, Capgemini provides reporting and service management functions such as SLA performance management, Incident Management, ticketing, CMDB asset tracking, service contract tracking, software license compliance, and invoicing and chargeback. Reference Exhibit 2.1.2 in either of the MAS Service Providers' contract for Capgemini's Statement of Work.

Does Application Development Services work have to be done in the state's Consolidated Data Centers (CDCs)?

Applications Development services can use either DCS infrastructure or MAS Service Provider's in-house infrastructure for the initial development of an application. However, once ready for production, the application and all supporting environments must be migrated into the DCS program. DIR encourages the use of the new Hybrid Cloud architecture for test and development infrastructure.

Can Application Maintenance services be provided for applications that are not in the DCS CDCs, Hybrid Cloud, or in my legacy data center(s) that is managed by the DCS program?



No. However, you may request Application Maintenance services for a non-DCS application, but the request for services must include the transition of the infrastructure to the DCS program as part of the scope of work and price.

Can I use MAS Rate Card Resources for applications that are not in the DCS CDCs, Hybrid Cloud, or in my legacy data center(s) that is managed by the DCS program?

Rate Card Resources may only be used to support applications hosted in the DCS program.

Will I be able to use a hybrid approach to Application Development, using any combination of in-house, ITSAC, DBITS, Rate Card Resources, and Application Development services?

Yes. You should also consider your funding sources and requirements as part of your criteria. Rate Card Resources may only be used for DCS-hosted applications. The use of Application Development services stipulate that the application must be migrated to DCS infrastructure upon production release.

Are the awarded MAS Service Providers allowed to bid Managed Application Development services in response to DBITS or other competitive solicitations?

Yes. MAS Service Providers may bid on any other DIR contract request, except for the Multi-sourcing Services Integrator (MSI) contract. No Shared Services Service Provider (SCP) may hold the contract as integrator for the services provided by the SCP, including MAS.

Can I obtain multiple bids for Application Development services from the Application Development Service Provider, DBITS, or other competitive solicitations?

Yes. However, the MAS contract is competitively sourced to meet the state's requirements for competitive procurement (Senate Bill 20). You should also consider the funding sources, requirements, and work effort required to solicit and manage multiple bids as part of your review criteria.

What criteria should I use to determine whether I should use the ITSAC Cooperative Contract or MAS Rate Card Resources?

MAS Rate Card Resources are specifically designed for applications hosted in the DCS program. The MAS Service Provider has been intergrated into the DCS program's tools, procedures, and reporting. In order to request resources, submit a Request for Service (RFS) through the Service Catalog. The MAS Service Provider will review the request and submit proposed resources for your selection. All onboarding and DCS training will be provided by the MAS Service Provider and the MSI.

Will MAS contractors have background checks? If so, which entity is responsible for performing the background checks (DIR, MAS Service Provider, or the customer)?

Yes. The MAS Service Provider is responsible for providing criminal history background checks on all resources, and the MIS is responsible for tracking compliance. The MAS Service Provider can also perform a CJIS criminal history background check upon your request.

State agencies are required to report Cooperative Contract staff augmentation resources as an FTE if they work beyond 6 monghs. Will this requirement also apply to MAS Rate Card Resources staff?

Yes, if the Rate Card Resource meets the criteria defined in the General Appropriations Act below.

General Appropriations Act 2016–2017

Article IX

Sec. 6.10. Limitation on State Employment Levels

For the purpose of Subsections (a) and (b), the number of FTEs employed by a state agency (not including an institution of higher education or an affiliated entity, the State Preservation Board, Parks and Wildlife Department, Texas School for the Blind



and Visually Impaired, Texas School for the Deaf, and Texas Commission on Environmental Quality) for a fiscal quarter: (1) shall be determined in accordance with the report filed pursuant to § 2052.103, Government Code; (2) shall include only employees paid with funds appropriated through this Act; (3) shall not include overtime hours; and (4) shall include a position filled by temporary or contract workers for more than half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.

Is MAS a part of the Data Center Services (DCS) program?

Yes. MAS is a DIR Shared Service offered through DIR's Shared Services program, along with DCS. MAS services are intended for DCS customers only and require the production application and supporting environment reside within the DCS infrastructure. The MAS Service Provider may develop applications outside of the DCS instrastructure, but upon production release the entire application, including all supporting environments, must be migrated to DCS infrastructure.

What vendors were awarded MAS contracts and what does the overall contracting model look like?

See the MAS Overview image below.

Rate Card Resources was awarded to Allied Consulting, Inc.

Application Maintenance and Application Development services was awarded to Enterprise Services, LLC, a wholly owned subsidiary of DXC Technology, formerly Hewlett-Packard Enterprise (HPE).

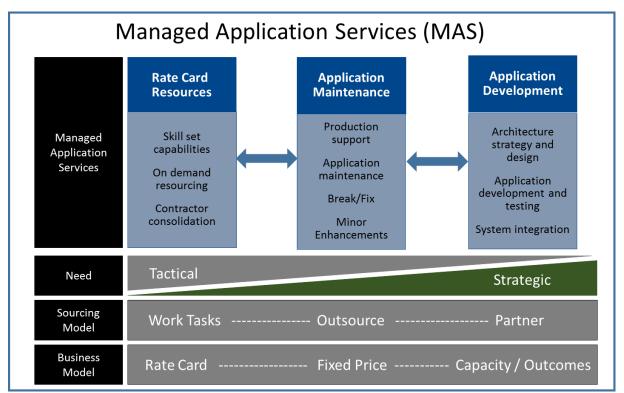


Figure 1: Managed Application Services Overview



What type of billing structure is offered for MAS services?

Rate Card: Hourly rates are provided for 37 application skill sets

Application Maintenance: Pricing will be an annual fixed fee. The fixed fee for each contract year will be set forth in the Cost Estimating Tool (CET), and the labor component will be based on Resource Rates defined in the CET. The Application Maintenance Service Provider will invoice monthly for a pro rata portion of the Fixed Fee, which will be calculated by dividing the Fixed Fee specified in the Service Proposal for the applicable contract year by the number of months in that contract year the Service Provider is providing services.

<u>Application Development</u>: Pricing is by Payment Based Milestones associated with defined deliverables that align with the completion of specific Service Provider phases or interim deliverables that are measurable and acceptable to the customer.

Can a DCS customer use funds from an operating budget to pay for MAS, similar to funding for other services through DIR Cooperative Contracts?

Your budget personnel, in consultation with your Appropriation Control Officer (ACO) at the Comptroller's Office and/or Legislative Budget Board (LBB) analyst, can provide a definitive answer.

The Legislature has historically appropriated budget authority for Data Center Services (DCS) as a capital budget. Since MAS services are intended to assist with data center consolidation, customers participating in DCS may choose to transfer budget from an operating account to their DCS capital budget. You should consult with your ACO or LBB analyst on the best approach for your business.

I know I can transfer between capital budgets, but didn't think I could transfer from Operating to DCS capital. What is next? Your budget personnel, in consultation with your Appropriation Control Officer (ACO) at the Comptroller's Office and/or LBB analyst can provide a definitive answer.

The General Approrpriations Act, Article IX, Section 14.03. Limitation on Expenditures – Capital Budget addresses the topic of budget transfers. This section does reference instances where it may be allowable to transfer from a non-capital budget item to a capital budget item. However, customers should consult with their ACO or LBB analyst on the most appropriate approach.

Can MAS services be used on my SaaS applications?

You may request Application Development, Application Maintenance, and Rate Card Resources for SaaS application that are purchased through the DCS program. The SaaS application must be purchased either prior to your request or at the time of the request. SaaS applications may be purchased as a Software as a Service Charge (SSC), subject to MAS Application Development / Application Maintenance Service Provider (Enterprise Services, LLC).

If you do not purchase the SaaS application in the DCS program, you may <u>not</u> request any MAS services specifically working on that SaaS application.

Can MAS services be purchased to manage SaaS applications?

Yes. See the **Shared Services Software Purchasing Guide** for more details.

If a DCS customer currently has a contract in place with an individual and that individual is also part of the Rate Card Resources (Allied Consultants, Inc.) team, can the customer request to convert the contract to MAS?



No. A non-DCS contract cannot be converted to a DCS contract. In order to provision a staffing resource from the DCS contract, you would need to open a DCS MAS Rate Card RFS specifying the individual to be provisioned. DCS policy requirements would apply to the MAS Rate Card RFS, including scope of work and pricing. You should also consider whether all services performed under the non-DCS contract would meet the DCS policy and contract requirements and understand the differences between the non-DCS contract costs and DCS contract costs before proceeding with a MAS Rate Card initiative. You would be responsible for terminating your non-DCS contract if approving the DCS RFS.

Can a non-MAS Service Provider contract with Enterprise Services, LLC be converted to a MAS Service Provider contract (Service Request)?

No. In a case where a customer has a non-DCS contract and wants to have the services provided under DCS, the customer would need to submit a DCS Request for Service (RFS) for MAS services. The services to be performed under Managed Application Services must comply with DCS MAS policy and scope of work. Customers should consider whether all services performed under the non-DCS contract would meet the DCS policy and contract requirements and understand the pricing differences between the non-DCS contract costs and DCS contract costs. The customer would be responsible for terminating its non-DCS contract if approving the DCS RFS.

Can the MAS Service Provider assist with large projects (over \$1 Million)? For example, can the MAS Service Provider manage the entire project including QAT report submission?

The threshold requirements put in place by Senate Bill 20 do not apply to DCS contracts. MAS projects must comply with MAS and DCS requirements. However, there is not a financial cap to MAS projects. The MAS Service Provider can assist with all aspects of a project, including drafting of QAT reports for customer review and approval. QAT reports require customer personnel to sign off prior to QAT submission. Therefore, QAT reports should be submitted by the customer, not the MAS Service Provider. The customer ultimately remains responsible for QAT reports.

